



*United States Attorney
Southern District of New York*

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U.S. INDICTS THREE IN FAKE BROKERAGE FIRM SCHEME

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced the filing yesterday in Manhattan federal court of an Indictment charging LUIS COLON, FILIBERTO COLON, a/k/a "Willie," and ADAM PIANELLO with participating in a scheme in which members of fake securities brokerage firms defrauded investors throughout the United States out of hundreds of thousands of dollars.

The Indictment charges that from March 2002 through December 2003, LUIS COLON and other members of the scheme, posing as stock brokers employed by fictional brokerage firms "Joseph Gunner" and "The Washington Group," cold-called investors throughout the United States, offering for sale shares of blue-chip stocks such as AOL Time Warner, Johnson & Johnson and Charles River Labs.

According to the Indictment, funds sent by investors for their supposed stock purchases were deposited into bank

accounts established by FILIBERTO COLON and ADAM PIANELLO and then stolen, principally through cash withdrawals from ATMs throughout New York City.

The Indictment charges LUIS COLON, FILIBERTO COLON and ADAM PIANELLO with 1 count of conspiracy to commit mail, securities and wire fraud, 17 counts of mail fraud, and 1 count of money laundering conspiracy.

LUIS COLON, FILIBERTO COLON and ADAM PIANELLO were arrested on December 10, 2003, on charges contained in a criminal Complaint. Each was released on bail.

LUIS COLON, 31, is a resident of South Orange, New Jersey.

FILIBERTO COLON, 46, is a resident of Manhattan.

ADAM PIANELLO, 43, is a resident of Manhattan.

If convicted of the charges contained in the Indictment, LUIS COLON, FILIBERTO COLON and ADAM PIANELLO face a maximum sentence on the conspiracy to commit mail, securities and wire fraud charge of 25 years in prison, a maximum sentence on the mail fraud charge of 20 years in prison and a maximum sentence on the money laundering conspiracy charge of 20 years in prison, as well as maximum fines on each count of \$250,000.

LUIS COLON also faces a maximum sentence on a witness tampering charge of 10 years in prison as well as a maximum fine of \$250,000.

Mr. KELLEY praised the efforts of the United States Postal Inspection Service for its investigation of this case.

Assistant United States Attorneys SCOTT L. MARRAH and STEVEN R. PEIKIN are in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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